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TAGS: [PGOV](#) [PREL](#) [UNFICYP](#) [TR](#) [CY](#)  
SUBJECT: CYPRUS: UNFICYP CHIEF CALLS LAST QUARTER 2009  
"MOST CRITICAL" TO PROCESS

REF: A. NICOSIA 402  
[1B](#). JUNE 12 PANICO-FITZPATRICK E-MAIL  
[1C](#). NICOSIA 438

Classified By: Ambassador Frank C. Urbancic for reasons 1.4b and 1.4d

[11](#). (C) Summary: "We could reach irreversibility if the parties can identify areas of give and take in the last three months of the year," UNSG Special Representative Taye Zerihoun told Deputy Assistant Secretary Matthew Bryza on June 29. Zerihoun, who noted tangible improvement in atmospherics, said that the sides had to focus on territory, property, and security/guarantees during the second reading (preferably in September) in order to engage in the horse-trading that hopefully might start in 4th quarter 2009, "the key months" according to him. Zerihoun said that both leaders clearly wanted to strike a deal, but, in a personal aside, noted that each still had to arrive at a definition of what exactly a deal entailed. In a clear contradiction of the position of UNSG Special Adviser Alexander Downer, Zerihoun welcomed a US Special Envoy provided the appointment came during the "give and take" phase, did not spook the Greek Cypriots (G/C), and played a role complementary to the UN, such as a conduit for "brainstorming" and providing "experts." He welcomed both the agreement to open the Limnitis/Yesilirmak crossing point, as well as the USG financial contribution necessary for the full operation of the crossing. Regarding Turkey, Zerihoun said he had no doubt that Ankara had every reason and incentive to solve the problem but, at times, "still thinks like an empire." For his part, DAS Bryza applauded the work of UNFICYP and the Good Offices Mission, and said that the US wanted to help the process with the possible appointment of an envoy, not get in the way or compete with the UN. He also said that the US consistently used its own good offices with all the parties, including Ankara, to push the compromise and flexibility needed to reach a mutually-acceptable solution.

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Zerihoun: 4th Quarter 2009 "Most Critical Moment"  
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[12](#). (C) UNSG SR Taye Zerihoun dubbed the last three months of 2009 "the most critical phase" when the sides, he hoped, would be able to enter the crucial "give and take" stage: the actual negotiation requiring compromise and sacrifice among the various chapters. To get there, however, both leaders needed, in the yet to commence second reading, to identify clear areas of "trade off" in three crucial areas: territory; property; security. These chapters, he hinted, could be bargained against other competencies. Timewise, the leaders would need to build on the present improved climate and quickly wrap up the first reading of security/guarantees, set to begin July 9 and the last of the six chapters, before the summer doldrums of August. Zerihoun said that the second reading possibly could take place in September, though he hoped, in the meantime, that the sides--possibly at the level of the Leaders' representatives George Iacovou and Ozdil Nami--could take another quick look at property, security, and guarantees before then. (Note: In the June 30 meeting with DAS Bryza, President Demetris Christofias mentioned a "third reading." We have not heard that before from anyone. End Note)

[13](#). (C) Zerihoun then gave a tour d'horizon of the six negotiating chapters (five of which had already been taken up). He noted that the progress had been uneven.

--Governance: Lots of work completed, with decent convergence on the legislature and judiciary. Main sticking point is the executive (power sharing and the origin of legitimacy for the post-solution state)

--Property: "Nowhere" in his words. Derailed by the European Court of Justice ruling on the Orams Case and the passions and tensions around it.

--EU Matters: Discussed at length with many areas of convergence as well as some non-convergence;

--Economy: Similar to the EU Chapter in terms of agreement and disagreement;

--Territory: Low expectations in the first reading, though nevertheless difficult. G/Cs tried to extract as many details as possible despite the mutual agreement not to exchange maps. "The Greek Cypriots presented a map without a map," he joked. T/Cs don't want to solve one (G/C) problem, the return

of IDPs, and create another (T/C) problem: the inability to house those who must relocate.

--Security/Guarantees: Hope is to finish first reading as quickly as possible once the first reading commences on July [19](#). Need to reexamine Annan Plan format to determine whether present "2 UN" format is applicable given that the chapter deals with the guarantor powers as well. Need to determine when guarantors need to engage.

[14](#). (C) Zerihoun said that the talks might enter a phase of "irreversibility" during the "give and take" phase if the sides could identify areas of "trade off", especially dealing

with property, territory, and security/guarantees. He was quick to point out, however, that was not the case at present. (Note: After the July 2 Leaders' Meeting, Zerioun announced the following mutually-agreed calendar of future meetings through Oct. 2: July 9,17,23,30; August 6; September 3,10,17; October 2. The meetings will be interrupted by the sacrosanct August vacation period and UNGA, though Iacovou and Nami will reportedly continue to work. End Note)

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"Christofias and Talat see each other as best partners, but..."  
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15. (C) In response to DAS Bryza's question about the linked political fates of Christofias and Talat (a favorite line of SA Downer), Zerioun responded that it was a "tough" question, noting that, at the very least, their political agendas were intertwined. He added, however, that Christofias and Talat saw each other as the best partner with whom to strike a deal and that the possible election of a hard-line T/C leader in April 2010, namely "TRNC PM" and National Unity Party (UBP) leader Dervish Eroglu, certainly would complicate the negotiations. He also had no doubt in their sincere desire for peace. That said, Zerioun noted, albeit as a personal observation, that it seemed as if neither man had "sorted out" exactly what a solution meant as the sum of its parts. The Greek Cypriots, he said, were obsessed by a perceived T/C plot to come together only then to pull apart, this time with recognition. For their part, the T/Cs had a "limited capability" to think broadly about political equality and were obsessed with their numerical status as a community and the need to translate that, in certain areas, into numerical equality.

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Appointing an Envoy: "Matter of Timing"  
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16. (C) Zerioun clearly was more receptive to the possible appointment of a US Special Envoy for Cyprus than, per REF A, UNSG SA Downer, in response to DAS Bryza's question regarding the efficacy of such an appointment in the context of "Cypriot-driven" solution. Drawing on his past UN experience, especially in Mozambique, Zerioun thought that the appointment of an envoy would be "very useful" and would help draw world attention to the on-going process and serve as a source of expert advice and ideas.

17. (C) He warned, however, that such an appointment should come no earlier than after the first reading or, better yet, during the "give and take" period, in order to prevent the sides from blaming an envoy for their own intransigence. He also said that a "representative" group of envoys from interested countries would be beneficial so as to present a "united front" (provided of course the envoys agreed on basic principles) and not to spook the Greek Cypriots, whom he said otherwise were "allergic" to the idea. He was quick to point out, however, that the G/Cs sought closer contact with the US. DAS Bryza said that any US Envoy would work to complement the UN's efforts and supported the idea of an envoy as a "brainstorming center." He added, to which Zerioun agreed, that, regarding the appointment of an envoy, it was probably best to wait and see if September brought the all-important "give and take" period. Ambassador Urbancic added that the US recognized it should not "surprise" the UN if it did decide to go forward with appointment of an envoy.

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"G/Cs called Turkish Army Bluff on Limnitis"  
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18. (C) In response to the Ambassador's question, Zerioun said that the sides were able to agree, after 15 months of haggling, to open the Limnitis/Yesilirmak crossing point

because it had become--unfortunately--"too big to be left unresolved." He said that the G/Cs had "made the necessary compromises" and had "called the bluff" (without going into detail) of the Turkish Army. He welcomed DAS Bryza's announcement that the USG was willing to help out financially to upgrade the existing road necessary to open the checkpoint, and said that the T/C side of the road should be completed first, before the portion in the buffer zone (Note: The G/C side up to buffer zone is intact, but an additional 2 km in the buffer zone and 4 km on the T/C side need to be repaired. End Note) Zerioun noted that the Turkish Cypriots would accept G/C funds if they were "laundered" first through UNDP. He also said that ambulances could presently use the crossing in the event of an emergency.

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"No Doubt Turkey has every reason to solve..."  
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19. (C) In response to DAS Bryza's question regarding the blowback to Turkey's EU Accession Bid from a possible setback or stalemate in the process and, consequently, the wisdom of revisiting an initiative like the Finnish 2006 EU Presidency deal on Varosha/Famagusta, Zerioun avo)DeQ !dQb!t`\*BsEb(QQqbld Lg0d tQ`0bQd(TUb+dq`\*d Aa0b1Q ( ` gn rE`3Nfd+ bEQ #MfQd2Tc0h2d6H!sAh tQ`0pQe BcA #!Ar(h @e(h!TeQ )D Qf1LdQ bebldeEd n``Qf ht""@cQljdafte !Ld b#M`%b!TeQ 3HtH" D`QQQpPg#dsQ& H!a d!D\$H#TeQd2Q Q`!d Q`! GPe!j Aq0b1LtQ \*DeQd tMQ gEd NvEb d E \$`#T 4h!T 4h!H Qd2D Q 3DrAt!f!Aa(l9d!b3QQQh)@gQd1ltf!daMf d`Af D!PcQh\*RAf!@dQn# TUb+dqQ (d Ha\$ "MQQ Lu d T`Qd @f!a2@ Ha "Evi!b9r!`3Lf \*D Qf#dTa2d`c) 3Md0dQQQHQHQBQG "DtQ InfMb0dbAd!l1Q !d Tad3`Qd)Ldd(hbIc l!Ie`\*QQd)PaQd"aQd cQe3 sQa0 bUt0n" 3Ta0d3 )n T`! )@dQf aQ "da!g aPt)bgLa019uQh!LpQd(Q DAQQQB2Hra (n0Ddd @tf(HdQ 0heDQF Qgll f/d Ig(n2D 4h!pb3HbLdQQQPa3j Mf `\*AQj!@a2Ntc+L!In dcEd "pPa)n UrQb#Q\$Sh0wd(dQ !@pQf!b`t(d !sld!s) !P Qn0tM (hDe2 cP h3TrQb0 from the on-going UN-brokered peace process.

This cable has been cleared by DAS Bryza.  
Urbancic